

**STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION**

Illinois Commerce Commission)	
On Its Own Motion)	
)	14-NOI-01
Notice of Inquiry regarding retail)	
electric market issues.)	

**AMEREN ILLINOIS COMPANY’S INITIAL COMMENTS
IN RESPONSE TO NOTICE OF INQUIRY**

COMES NOW Ameren Illinois Company d/b/a Ameren Illinois (“AIC” or “the Company”) and respectfully submits the following Initial Comments in response to the Illinois Commerce Commission (“ICC” or “Commission”) Notice of Inquiry (“NOI”).

The NOI solicits the following questions from interested person and entities:

I. RENEWABLE OR “GREEN” ENERGY OFFERS

1. Should the Commission define residential marketing terms such as “green” and “renewable” offers? If so, what should form the basis of such definitions?

AIC does not take a position on whether the terms “green” and “renewable” should be defined. As a general rule, providing customers with information to enable knowledgeable choices is viewed as positive for the long term development and sustainability of the competitive power supply market. If the Commission were to adopt definitions for these terms, AIC recommends the Commission adopt the definitions from 20 ILCS 3855/1-10 “Renewable energy resources”. Section 1-10 reads, in part, “‘Renewable energy resources’ includes energy...wind, solar thermal energy, photovoltaic cells and panels, biodiesel, anaerobic digestion, crops and untreated and unadulterated organic waste biomass, tree waste, hydropower... and other alternative sources of environmentally preferable energy.” By adopting this definition, the Commission would provide consistency for consumers and retailers. Moreover, for a power and energy service to be described as “green”, “renewable energy”, or “environmentally friendly”, it

must exceed the renewable portfolio standard requirements applicable to RESs under Section 16-115D of the Act (see 83 IL Admin. Code § 412.190). If the Commission chooses to adopt definitions for “green” and/or “renewables”, it should incorporate the definitions from the previously stated sections. Including these sections into the definitions would greatly reduce the opportunity for confusion and misunderstanding by interested parties.

2. Should a “% renewable” column be added to the supplier offer matrix found on PlugInIllinois.org? If so, is the addition of such a column dependent on a Commission definition of “renewable energy”?

AIC does not take a position whether a “% renewable” column should be included. As a general rule, providing customers with the information to enable knowledgeable choices is viewed as a positive for the long term development and sustainability of the competitive power supply market. However, if the Commission were to include this new column to differentiate the “% renewable” column from the minimum standards required by the renewable portfolio standard requirements, two percentages may be necessary: one to highlight the minimum requirement, and another to highlight the total renewable content. For example, if the minimum requirement is 10%, and a RES is offering an additional 40%, the renewable percentages would be shown as 10%/50%.

However, there may be an ongoing need to monitor and adjust the “% renewable” column to keep the information presented relevant to new developments and trends in the market place. Presently, the percentage of renewable content within Electric Utility fixed price load will change annually beginning each June 1. Renewable content percentage requirements will increase annually through 2025 and are subject to bill impact limitation caps that could change the renewable amount before or after 2025. AIC does not take a position on whether the column is dependent on the definition of “Renewable energy”, but the Commission should be aware that

by qualifying a RES load as “renewable energy”, this will require a review and likely an adjustment at least annually, on or about each June 1 of each year.

II. DEFINING FIXED AND VARIABLE RATES

1. Should the Commission define “fixed” and “variable” rates? If so, how should such definitions impact the supplier offer matrix on PlugInIllinois.org?

Presently, AIC does not have an opinion as to whether RES supply offerings should be further defined between “fixed” and “variable”. However, AIC notes that for its electricity utility tariff offerings, PlugInIllinois.org contains a substantial description of the Commission approved Ameren Illinois fixed price and real time price offerings available to customers and described below.

AIC’s fixed prices change each June 1 (summer), and again October 1 (non-summer), or otherwise when the Illinois Power Agency ("IPA") conducts a procurement event approved by the ICC. AIC does not view those prices changes to be “variable” because the prices are established, published, and known prior to the billing period and apply for the entire billing period.

Conversely, AIC offers a Commission approved hourly price service (residential Real Time Pricing and residential Power Smart Pricing). The prices are set the previous day based on the market prices provided by Midcontinent Independent System Operator, Inc. (“MISO”). These services assess prices that vary each hour, and therefore the prices are unknown prior to the month and are truly variable.

III. CONSUMER EDUCATION

5. Should utilities be required to display the supplier logo on a utility-consolidated bill?

It is not necessary to modify the rules governing utility-consolidated bills to include supplier logos. Currently, 83 IL Admin. Code § 280.50 governs the required information to be included in a customer's bill. This section specifically details the exact information that will be provided to the customer, including customer billing information, contact information, name and contact information for electricity supplier, meter and rate classification, itemized billing amounts, due date, definitions and the average price per day. The Commission should take into consideration the amount of information currently being provided on the bill, which already includes the name of the RES (if applicable). If any more information is to be included on the bill, then it has the potential to increase the pages used and the postage required.

Should the Commission be inclined to require utilities to include supplier logos on utility-consolidated bills, it should be noted that currently AIC does not have the technology or the bill design format to accommodate that requirement. AIC would have to acquire, program and design the necessary equipment and bill formats to include the supplier logo. Because of this, AIC would also require at least an 18 month compliance window to allow for installation, programming and testing.

If the Commission were to adopt this practice, AIC recommends that the Commission give the utility total authority regarding the display of logos, because the size, font and color will directly impact the space and layout of the bill. This discretion would include the ability to reject the supplier logo due to a supplier's failure or inability to conform to the utility's requirements. A utility may have to license the logo from the supplier and without the proper authority, utilities will have to adhere to the suppliers' requirement for using and displaying their logos. If the

logos required by the Commission and provided by the suppliers are too large, require multiple colors or are an obscure font, it could impact the format of the bills and possibly force additional pages and postage.

Additionally, AIC is concerned about the additional costs of acquiring, installing, programming and testing the equipment, not to mention the additional administrative cost of maintaining, updating and monitoring the legal liability in regards to a supplier's intellectual property. If the Commission were to adopt this practice, AIC recommends the Commission consider preapproving the right to collect these additional costs the utilities will be incurring by instituting this practice, subject to a prudence review. Regardless, AIC reserves the right to seek recovery of costs incurred in compliance with any new requirements.

Finally, AIC raises the issue of whether the application of applying supplier logos to utility bills will conversely apply to RESs who participate in the Single Bill Option, where the utility sends its charges to the supplier for placement on bills issued by the supplier to our customers. AIC recommends that if the Commission adopts the logo practice, that it should apply to both utilities and RESs in order to promote consistency and fairness to all parties involved.

IV. CANCELLATION/RESCISSION

1. Should the Commission change the rescission period for customers with a smart meter? If so, what should the new rescission period be?

The Commission should not change the rescission period for customers with a smart meter. Use of an AMI meter or "smart meter" has no bearing on the length of time a customer should be afforded to rescind a pending enrollment. A smart meter is a meter that records hourly interval usage data. This information allows a utility to understand a customer's usage habits and predict future load requirements. However, the smart meter's ability to record hourly

interval reads should not determine how long a customer should be afforded to rescind a pending enrollment.

The rescission window is defined as a set amount of time (10 calendar days from the date the enrollment DASR is processed by Ameren Illinois in the case of Mass Market customers) that a customer is afforded to decide on or reconsider a pending enrollment of their account to RES supply. Whether a customer does or does not utilize a smart meter has no effect on their pending enrollment because the use of an AMI meter does not impact the knowledge or decision making process of customers regarding their pending enrollment. AIC recommends that the Commission not modify the rescission period for customers with a smart meter.

V. CONCLUSION

AIC appreciates the opportunity to provide comments in response to the Commission's Notice of Inquiry and looks forward to continued progress and discussion on these important issues.

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Respectfully Submitted,

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d/b/a Ameren Illinois



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